

Article - Tax - Property

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§1–101.

(a) In this article the following words have the meanings indicated.

(b) “Assess” means:

(1) for real property, to determine the phased–in full cash value or use value to which the property tax rate may be applied; and

(2) for personal property, to determine the value to which the property tax rate may be applied.

(c) “Assessment” means:

(1) for real property, the phased–in full cash value or use value to which the property tax rate may be applied; and

(2) for personal property, the value to which the property tax rate may be applied.

(d) “Assessment roll” means the official listing of assessments of property required under § 2–202(3) of this article.

(e) “Collector” includes an officer of a county or municipal corporation who has a duty to collect or remit taxes.

(f) (1) “Corporation” includes an association or joint–stock company.

(2) “Corporation” does not include a common trust fund as defined in § 3–501(b) of the Financial Institutions Article.

(g) “County” means a county of the State and, unless expressly provided otherwise, Baltimore City.

(h) (1) “County property tax” means the tax on property that is authorized under §§ 6–202 and 10–102 through 10–105 of this article.

(2) “County property tax” does not include a tax imposed on property specifically benefited by local improvements.

(i) “Date of finality” means January 1, when assessments become final for the taxable year next following.

(j) (1) “Department” means the State Department of Assessments and Taxation.

(2) “Department” includes, unless the context requires otherwise, a supervisor.

(k) “Director” means the Director of the State Department of Assessments and Taxation.

(l) “Domestic corporation” means a corporation organized under the laws of the State.

(m) “Foreign corporation” means a corporation organized under the laws of the United States, a foreign country, or another state.

(n) “Governing body” means:

(1) for Baltimore City, unless otherwise provided, the Board of Estimates;

(2) for charter counties, as provided by local law, the county council or the county executive and the county council;

(3) for code counties, the county commissioners or county council;

(4) for county commissioner counties, the county commissioners; and

(5) for municipal corporations, the body provided by municipal charter.

(o) “Includes” or “including” means includes or including by way of illustration and not by way of limitation.

(p) “Internal Revenue Code” means Title 26 of the United States Code.

(q) “Law” includes any enactment, order, resolution, or ordinance of a county or municipal corporation.

(r) (1) “Manufacturing” means the process of substantially transforming, or a substantial step in the process of substantially transforming,

tangible personal property into a new and different article of tangible personal property by use of labor or machinery.

(2) “Manufacturing” includes:

- (i) the operation of sawmills, grain mills, or feed mills;
- (ii) the operation of machinery and equipment used to extract and process minerals, metals, or earthen materials or by-products that result from the extracting or processing;
- (iii) research and development activities, whether or not the company has a product for sale;
- (iv) the identification, design, or genetic engineering of biological materials for research or manufacture; and
- (v) the design, development, or creation of computer software for sale, lease, or license.

(3) “Manufacturing” does not include:

- (i) activities that are primarily a service;
- (ii) activities that are intellectual, artistic, or clerical in nature;
- (iii) public utility services, including telephone, gas, electric, water, and steam production services; or
- (iv) any other activity that would not commonly be considered as manufacturing.

(s) “Municipal corporation” means an entity that is subject to Article XI–E of the Maryland Constitution.

(t) (1) “Municipal corporation property tax” means the tax on property authorized under §§ 6–203 and 10–102 through 10–105 of this article.

(2) “Municipal corporation property tax” does not include a tax imposed on property specifically benefited by local improvements.

(u) “Operating land” means any land used to operate a railroad or public utility.

(v) (1) “Operating personal property” includes any property, other than real property, used to operate a railroad or public utility.

(2) For a public utility, “operating personal property” includes cables, lines, poles, and towers.

(w) (1) “Operating property” means any property used to operate a railroad or public utility.

(2) “Operating property” includes operating real property and operating personal property.

(x) “Operating real property” includes any real property used to operate a railroad or public utility.

(y) (1) “Operating unit” means, as determined by the Department, all of the operating property of a railroad or a public utility.

(2) “Operating unit” includes operating property that is located outside of the State.

(3) “Operating unit” does not include more than 1 railroad or public utility for which separate accounts are kept, unless the Department finds that:

(i) the accounts are under the same or commonly controlled management; and

(ii) the inclusion is necessary to determine the value of the operating property.

(z) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, or representative of any kind and any partnership, firm, corporation, or other entity.

(aa) “Principal office of a domestic corporation” means:

(1) the office in the State where the business of the corporation is directed and managed;

(2) if there is no office in the State where the business is directed and managed, the place in the State where the principal business of the corporation in the State is transacted; or

(3) if there is no office or place that meets the requirements of item (1) or (2) of this subsection, the principal office named in the corporation charter or reported to the Department.

(bb) “Principal office of a foreign corporation in the State” means the place in the State where the principal business or operation of the corporation in the State is carried on.

(cc) “Property” means real property and personal property.

(dd) “Property tax” means the property tax imposed by:

- (1) the State;
- (2) a county; or
- (3) a municipal corporation.

(ee) (1) “Public utility” means a company classified by the Department as a public utility under § 8–109 of this article.

(2) “Public utility” includes:

- (i) an electric company;
- (ii) a gas company;
- (iii) a pipeline company;
- (iv) a sewage disposal company;
- (v) a steam heating company;
- (vi) a telephone company; and
- (vii) a water company.

(3) “Public utility” does not include:

- (i) a cable television company;
- (ii) a cellular telephone company;
- (iii) a cogenerator;

- (iv) an exempt wholesale generator;
- (v) an independent power producer;
- (vi) a small power producer; or
- (vii) a utility owned by a county or municipal corporation.

(ff) “Quarterly date of finality” means the April 1 or October 1 when assessments may be made for real property that becomes assessable up to that time and after the last date of finality or semiannual date of finality.

(gg) (1) “Real property” means any land or improvements to land.

(2) “Real property” includes:

- (i) a leasehold or other limited interest in real property; and
- (ii) an easement.

(hh) (1) “Research and development” means:

- (i) basic and applied research in the sciences and engineering;

and

(ii) the design, development, and governmentally required premarket testing of prototypes, products, and processes.

(2) “Research and development” does not include:

- (i) market research;
- (ii) research in the social sciences, psychology, or other nontechnical activities;
- (iii) routine product testing;
- (iv) sales services;
- (v) technical and nontechnical services; or
- (vi) research and development of a public utility.

(ii) “Resident of the State” includes a domestic corporation.

(jj) “Semiannual date of finality” means July 1, when assessments may be made for real property that becomes assessable after the immediately preceding date of finality or quarterly date of finality.

(kk) “State” means:

- (1) a state, possession, or territory of the United States;
- (2) the District of Columbia; or
- (3) the Commonwealth of Puerto Rico.

(ll) “State property tax” means the tax imposed on property under § 6–201 of this article and authorized under §§ 10–102 and 10–103 of this article.

(mm) “Supervisor” means the supervisor of assessments for a county.

(nn) “Tax roll” means the assessment roll to which the property tax rate has been applied and on which the property tax on each property is shown.

(oo) “Taxable year” means July 1 to June 30, both inclusive, for which the State, each county, municipal corporation, and taxing district of the State computes, imposes, and collects property tax.

(pp) “Valuation” means the process of determining the value of property.

(qq) “Value” means the full cash value of property.

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